THE MYSORE INDUSTRIAL AND TESTING LABORATORY, LIMITED, MALLESWARAM, BANGALORE-3.

Memorandum of settlement under section 2(p) of the Industrial disputes Act, 1947 read with Section 18(1)

NAMES OF PARTIES

Representing employees

Employees of Mysore Industrial and Testing Laboratory, Ltd., repersented by :

1. M.I.T.L. Registered Office Staff Union, represented by—

(i) M. R. Shankarappa, President
(ii) Allampalli Venkataram, Secretary
(iii) N. Laxmana, Treasurer

Representing Employer

The Management of Mysore Industrial and Testing Laboratory, Ltd., Malleswaram, Bangalore-3, represented by—

(i) P. V. V. Krishnan, Project Administrator
(ii) K. R. Sreenivasan, Secretary
(iii) E. M. Raju, Personnel Officer

SHORT RECITAL OF THE CASE

The M.I.T.L. Registered Office Staff Union, representing the Registered Office Employees of the Mysore Industrial and Testing Laboratory, Limited, Malleswaram, Bangalore-3, issued a Charter of Demands by the letter dated 12th May 1967 of the President of the Union. The Demands related to revision of basic wages, salaries, Typing allowance, Age of retirement, Gratuity, Leave facilities, etc. The question of Dearness allowance payable to the different

categories of employees was already settled between the parties to the effect that whenever the Government of Mysore sanctions increases in Dearness Allowance to its employees of Government Industrial concerns, the same benefit would be extended to the employees of the Mysore Industrial and Testing Laboratory, Limited also and this settlement has been incorporated in the Award of the Industrial Tribunal in I.D. No. 39/65. The demands covered by the Charter of Demands dated 12th May 1967, were directly discussed between the parties and since the matter could not be settled, the entire dispute was taken in conciliation by the Assistant Labour Commissioner and the Conciliation Officer, Bangalore. Since no settlement could be reached between the parties, conciliation ended in failure and the Government of Mysore referred some of the demands under Section 10(i) (d) of the Inustrial Disputes Act, 1947, to the Hon'ble Additional Industrial Tribunal, Bangalore. The dispute so referred has been registered as A.I.D. 18/69.

The demand for revision of gratuity was referred to Hon'ble Additional Industrial Tribunal, by the Government of Mysore under Section 10(i) (d) of the Industrial Disputes Act at the instance of I.T.L. Employee's Association, Bangalore. The dispute so referred has be registered as A.I.D. No. 9/69. With the consent of Hon'ble Additional Industrial Tribunal and the Management, M.I.T.L. Registered Office Staff Union was also impleaded as a party to the dispute (first party) (A).

In the meanwhile, M/s. Indian Detonators Limited, Hyderabad, obtained controlling interest in the Mysore I.T.L. Limited. The new Management has schemes for further expansion of this factory, leading to further avenues of employment and betterment of the position of the employees. However, the position of the Pharmaceutical Industry in India has become rather uncertain in view of the restrictions imposed by the Government of India on prices of Drugs. There was frank discussion of the position between the representatives of the Management and the

Union. In the interest of Industrial peace, and in order to give time to the new management to study the possibilities of this factory, the parties agreed that there should be a settlement for a limited period of two years, after which the parties can l.
structure and other service conditions of the employees. After through discussions and consideration of all aspects, the following Settlement was arrived at this 11th day of December 1970, in full and final settlement of all matters covered in the r
the Additional Industrial Tribunal, Bangalore

TERMS OF SETTLEMENT.

I. It is agreed that this Settlement shall be applicable to employees whose dispute has been referred for adjudication in Reference No. 18/69 and No. 9/69 before the Hon'ble Additional Industrial Tribunal, Bangalore.

II. *Scales of Pay, Dearness Allowance, House Rent Allowance and City Compensatory Allowance.*—It is agreed that the present scales of pay and the present scheme of Dearness allowance, House Rent Allowance, and City Compensatory Allowance payable to the employees as provided in the Award of the Hon'ble Industrial Tribunal in I.D. 39/1965 will remain unaltered during the period fo this Settlement.

III. It is agreed that the employees who are on the rolls of the concern as on 1st December 1970 shall be paid Rs. 30 (Rupees thirty) per month as an "*All purpose allowance*"

(i) The all purpose allowance of Rs. 30 per month shall qualify for the contribution of Provident Fund, E.S.I., payment of overtime, Leave with wages and Bonus only but not for any other purpose.

Explanation.—This All Purpose Allowance will not count for calculation of Compensation for extra leave and

holidays etc. to be foregone by employees as per Clauses V and VI of this Settlement.

(ii) In order to provide adequate and fair compensation for the past by way of arrears, the manaagement agree with the Union to pay to all those employees covered by this Settlement, a lumpsum amount of Rs. 400 who are on rolls as on 1st December 1970 provided that have put in at least 13 months service prior to 1st December 1970.

(a) *Add* : *'Explanation.*—Employees who have put in less than 13 months of service will be given compensatory arrears at the rate of Rs. 30 per month. Employees who have left the service of the Company after 1st November 1969 will get arrears at the rate of Rs. 30 per month up to the date of their retirement.

IV. *Leave Facilities.*—It is agreed that in order to bring about uniform leave facilities available to all employees, covered by this settlement it has been agreed that the following leave facilities will be made available from 1st January 1971.

(i) *Privilege Leave.*—Privilege or Annual with wages shall be at the rate of 1 day for twenty days work performed in accordance with the provisions of Section 79 of the Indian Factories Act, 1948. Leave in excess of thirty days at the credit of any employee will be surrendered at the end of the year 1970 and the leave so surrendered will be paid for ; it is further agreed that only basic wages/pay, Dearness allowance, H.R.A. and C.C.A. will be taken into account for purposes of this calculation.

(ii) *Sick Leave.*—(*a*) Sick leave will be as per provisions of E.S.I. Act and Scheme.

(*b*) All other employees who are not covered by the E.S.I. Scheme, will be allowed 15 days Sick leave on completion of one year's service (12 calendar months from 1st of January) to be availed in the subsequent year, Employees who join in the middle of the year will be entitled

to sick leave at the rate of 1 day for each completed month of service. This sick leave could be accumulated to the maximum of 30 days.

(iii) *Casual Leave.*—The employees covered by this Settlement will be granted a maximum of 7 days casual leave with wages (including D.A., H.R.A. and C.C.A.) during the calendar year. However, this casual leave cannot be availed for more than three days at a time exclusive of all holidays whether occuring during the or at either end of the period of leave.

Any employee joining in the middle of the year will be given proportionate leave at the rate of ½ a day for each month of service put in.

Any casual leave not availed off, will lapse at the end of the calendar year.

(iv) The Casual leave cannot be combined with any other leave excepting what has been provided in sub-clause (iii)

(v) If a person exhausts his sick leave and continues to be sick, his further absence due to sickness will be adjusted against privilege leave if any at his credit, if so requested by him.

(vi) Excepting the above mentioned leave facilities there will not be any other leave available with wages for the employees. However, at the discretion of the Management, leave without pay may be allowed provided the Management are satisfied of the reasons for such leave without pay.

V. *Compensation for additional Leave facilities foregone.*—(i) Furlough leave at the credit of employees as on 31st December 1970 will be permitted to be availed within a period of four years from 1st January 1971.

(ii) No Furlough Leave will be earned by any employee in respect of service after 1st January 1971.

(iii) Such of those employees who have not put in qualifying years of service for eligibility for Furlough Leave will be credited the proportionate Furlough Leave at the rate of 12½ days per year or in proportion thereof up to 31st December 1970.

(iv) In consideration of the employees having agreed to limit the extent of leave which will be available under different heads from 1st January 1971, and having agreed to forego all paid leave in excess of the above it is agreed that the Management will pay lumpsum compensation to the employees as follows:

(*a*) Every monthly rated employee in rolls as on 1st December 1970 will be paid a lumpsum amount equivalent to his one hundred and sixteen days salary. Salary for this purpose will include basic pay, Dearness allowance, H.R.A. and C.C.A. only and not any other allowance or payment.

Explanation.—(i) The above does not apply to National and Festival Holidays in respect of which separate provision has been made in this Settlement.

(ii) The above will also not apply to employees who opted for the voluntary retirement scheme formulated by the Management and retired from service.

VI. *National and Festival Holidays.*—(i) It is agreed that from 1st January 1971, all employees will get 10 (Ten) Paid Holidays in a Calendar year as National and Festival Holidays. The Republic Day (26th January), the Independence Day (15th August) will always be included among the above ten piad holidays. The remaining eight paid holidays will be fixed and notified in accordance with the provisions of the Industrial Establishment (National and Festival Holidays) Act, 1963.

If any of the above ten days fall on the weekly holiday, all employees will be entitled to a day's wages pay for that day.

(ii) It is agreed that in consideration of the different categories of employees agreeing to the extent of National and Festival Holidays as above and foregoing any Holidays in excess of the above, the Management will pay the respective employees lumpsum compensation as under.

Registered Office Staff.—36 (Thirty-six) days pay (inclusive of Basic salary, Dearness allowance, H.R.A. and C.C.A.)

VII. *Registered Office staff working hours.*—The Registered Office Staff are now working for 7 hours a day. It has been agreed that they would be brought in line with the working hours of the factory and therefore would work for 8 hours a day from 8 A.M. to 12 NOON and 1 P.M. to 5 P.M. from 14th December 1970. It has been agreed that the Registered Office Staff would move from their existing premises into the factory administration building and would accept transfers to any department or section in the factory on a similar post or allied. It is also agreed that these employees would also be covered by the provisions of the Factories Act hereafter.

The Management agrees in consideration for the Registered Office employees working for 8 hours, to pay two months salary as lumpsum compensation. The salary includes pay, Dearness allowance, H.R.A. and C.C.A. only.

VIII. *Wage period and Pay Day.*—The Management and the Union agree to adopt the uniform wage period beginning from 1st of month to the last day of the month and pay the salaries and the wages due together with the allowances on 7th of subsequent month.

IX. *Overtime Allowances.*—It has been agreed upon between the parties that all allowances paid to any of the employee in lieu of overtime shall be withdrawn from the date of Settlement. All those employees that are required to work overtime above the fixed hours shall be paid wages/salaries strictly in accordance with the provisions of Factories Act. However, for any work done by the employees

on holidays and sundays they could be given a compensatory off as per the provisions of the Factories Act.

X. *Lunch Allowance.*—Any employee who is required to go out of the factory on any day on company work and is unable to return to the factory during lunch interval, will be paid a lunch allowance of Rs. 1.50 for such day.

Other Allowances and Advances.—It is agreed that Typing Allowance, Milk Allowance, Festival Advances and Cycle Advances now available to the employees will continue as usual.

XI. *Permission to Leave the Factory.*—Permission to leave the factory, during working hours will be granted only in cases of emergencies if the officer empowered to grant the same is satisfied about the genuineness of the emergency. A pass out will be issued marketing the necessary particulars.

It has been agreed that no employee will be allowed any permission for less than two hours. If any permission is sought to leave the factory for reasons of emergency exceeding two hours, such permission granted will be accumulated and deducted as half-a-day leave if it is 4 hours and one day 4C.L. if it is 8 hours subject to eligibility of casual leave. The computation will be done once in a quarter to determine the casual leave adjustment against the permission If no casual leave is available it will then be treated as on loss of pay and wages/salaries will be deducted accordingly. It however, does not confer any right to seek permission as a matter of course and right by the employees.

XII. *Increment period.*—It has been agreed between the Management and the Union that in future all increments will be due, if eligible, on the 1st January each year. For the purpose of calculating the increment for the period ending 31st December 1970, all those employees who have drawn their increments before 30th June 1970 will be given

an increment as from 1st January 1971. All those [illegible] ve drawn increment from 1st July 1970 to 31st December 1970 will not be eligible for increment on 1st January [illegible] but will qualify for increment only on 1st January 1972.

In view of the change in the increment period, the existing practice of postponing the increment on account of the leave availed of by the employees without [illegible] on account of absence from duty will be discontinued.

XIII. *Gratuity.*—It is agreed that the Gratuity Scheme now existing as also the Settlement dated 28th September 1966 between the parties will be replaced by the Gratuity Scheme appended to this Settlement as Annexure I.

XIV. *Age of Retirement.*—(i) It is agreed that an employee shall be required to vacate his employment on his attaining 58 years to be notified by the employer provided that the employer at his discretion may re-employ the superannuated employee or grant him extension of service if the employer considers the same necessary in the company's interest, subject to the empolyee being found medically suitable by the company's Medical Officer for re-employment or for extension of service.

(ii) All employees shall produce satisfactory evidence of date of birth. If no [illegible] the decision of the employer in consultation with the company's Medical Officer regarding the age of any workman/employee is binding and final.

XV. *Death Relief Fund.* [illegible] that a Death Relief Fund will be constituted and implemented with mutual contributions.

XVI. Both the parties appreciate that this Settlement has been arrived at with [illegible] peace and maintaining discipline and greater efficiency. Therefore, the employees agree not to resort to indiscipline,

slowing down of work for any reason whatsoever and the Management on their part agree not to curtail the existing benefits and privileges except in accordance with the Law.

XVII. *Period of validity.*—This agreement will be in force from 1st December 1970 to 30th November 1972.

XVIII. *Other Demands.*—All other demands of the Union excepting those that have been specifically conceded and agreed upon by the Management, shall be deemed to have been withdrawn and it is mutually agreed that the demands so withdrawn shall not be brought forth for discussion at any time during the currency of this Agreement.

XIX. *Bar for other demands.*—The Union agree that during the currency of the Agreement neither the Union [illegible] collectively, shall raise any demand which will involve the Company any additional burden financial or otherwise.

1. (Sd.) M. R. Shankaranna

3. (Sd.) N. Laxmana

Representing Employer

2. (Sd.) K. R. Sreenivasan

3. (Sd.) E. M. Raju

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Personnel Officer,
The M.I.T.L. Ltd., Bangalore-3.